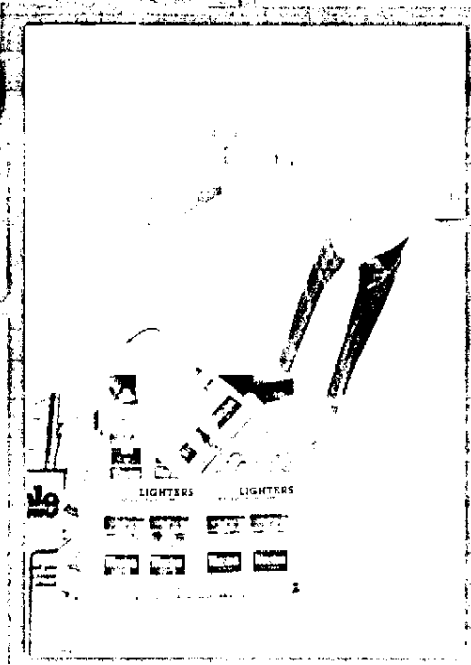
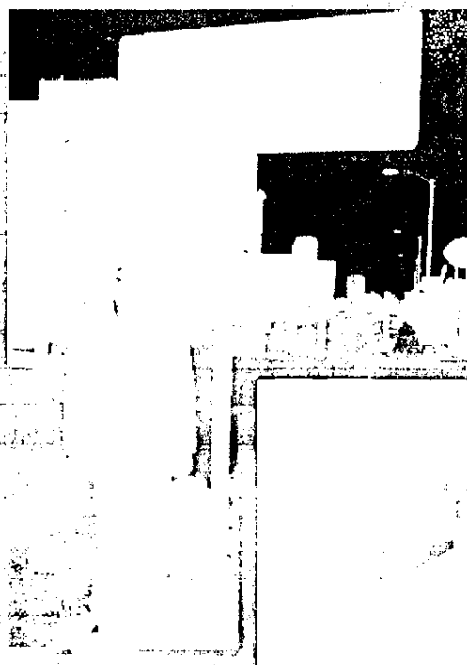


SALES MERCHANDISER

R. J. Reynolds Tobacco USA/Sales Dept./May-June 1987



Resort
Marketing

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Winston supports fiesta

Manny Funes, regional sales manager in San Antonio, Texas (second from left), presented checks for \$10,100 apiece to San Antonio Mayor Henry Cisneros (right) and Fred Diaz, chairman of the San Antonio chapter of the League of United Latin American Citizens (L.U.L.A.C.) (left) April 25 on the Winston Stage at Fiesta San Antonio. Funes also presented framed event posters to Diaz and Oscar Moran, national president of L.U.L.A.C. (second from right). The donations, from proceeds of the sale of Winston hats and visors at the fiesta April 18-26, will benefit the L.U.L.A.C. college scholarship fund and help the city improve the site of the annual fiesta.

Retiree recalls RJR career

Retired Regional Sales Manager Virgil Lanni dropped by the home office recently to visit with old friends and catch up on the latest developments in the sales department.

Lanni, 73, retired in 1973 after 35 years in the sales department, the last 20 as Chicago regional sales manager. He is remembered by many as one of the pioneers in the sales department's efforts to provide employment and advancement opportunities for minorities.

"RJR was ahead of its time in hiring and promoting minorities, before the civil rights movement really got started up," Lanni recalls. "Chicago has a large black population, and it made sense to hire blacks as sales reps and give them the opportunity to advance."

Lanni says he worked closely with community organizations such as the Urban League to recruit prospective employees.

"We wanted ambitious people who knew they would have to work to get ahead. I wasn't ever interested in anyone's race or creed; all I wanted to know was if a person wanted to work and what they could do."

Lanni says his efforts also extended to hiring and advancing members of other ethnic groups, and women.

"Being Italian, the son of immigrants, I could share some of their concerns," Lanni says. "Over the years, we hired and promoted a lot of women and minorities out of the Chicago region."

Chuck Lewis, manager - external
(continued on page 11)

Sales team wins victory at Army posts

Teamwork and persistence have captured a commanding position for the company's products in every U.S. Army Commissary in the continental United States.

The U.S. Army Troop Support Agency based in Fort Lee, Va., the unit that operates the 77 commissaries located on U.S. Army posts nationwide, has been sold Reynolds Tobacco shelf display plan contracts for regular-price and value-segment brands.

"This means that RJR brands will now be in the most visible location on fixtures and merchandisers, in the regular and value categories," says Ralph Gaillard, national military sales manager.

The new shelf display plan contracts also mark the Army agency's first
(continued on page 15)

On the cover: The sun, sand and surf of Daytona Beach (upper photo) draw hundreds of thousands of visitors a year to the Florida resort, creating a unique and challenging opportunity for RJR sales. For Area Sales Representative John Rutledge of the Daytona Beach division, Atlantic Avenue (center photo), Daytona's main beachfront boulevard, is the center of the action, and keeping promotional displays filled (lower photo) is a never-ending task, especially during peak tourist seasons. A story on the company's resort-marketing program and how Rutledge and the other reps in the RJR "beach patrol" put it into action at Daytona Beach begins on page 4.

MEMO

From the vice president – field sales

Volume performance is measured at retail



The corporate plan to meet our volume objectives includes strategic quarterly volume promotions which move vast amounts of product through the pipeline to the retail segment.

While these volume promotions boost wholesale buying for a short time, the product must be purchased by the consumer over a longer period of time. Volume results at retail just don't occur as quickly as they do at the wholesale level of the business.

That's where your steady pursuit of volume opportunities makes all the difference. The pre-booking you accomplish, the displays you build, the promotions you work on a day-to-day basis throughout the entire quarter are really what make our quarterly volume promotions successful.

This edition of the *Sales Merchandiser* focuses on our summer resort program and the opportunities for extra business available to us during the summer months. That program is limited to resort areas in selected divisions.

But every division in the country and every assignment has extra business opportunities waiting to be tapped. The strength of our sales organization is in your ability to identify those opportunities before our competitors do.

It's one thing to fill the distribution pipeline; it's another to use your selling skills to move the same product on to the consumer in the face of stiff competition.

But that's where you outperform your competitors: in the retail selling environment, where volume success is truly measured.

Sincerely,



Yancey W. Ford Jr.

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Daytona Beach Division Manager Jay Loftin and Area Sales Representative John Rutledge say seasonal crowds at the resort offer challenging sales opportunities that can add up to substantial volume achievements.

Resort program boosts RJR sales

John Rutledge worked through vacation this year.

In fact, he worked through about a half-million vacations — but not one of them was his own.

Rutledge is an area sales representative in the Daytona Beach, Fla., division. All those vacations he worked through were spent by visitors to Daytona Beach during the spring tourist season.

While all those vacationers were driving up and down Daytona's famous hard-packed sands, tanning themselves in the brilliant Florida sunshine and frolicking in the blue Atlantic surf, Rutledge and the other two RJR sales people who "cover the beach" were hard at work.

They were selling the products and providing the promotions and customer services that make RJR a leader in resort marketing — and make resort marketing an important element in the company's overall sales strategy.

"This is our biggest time of the year for tourists," Rutledge said early one morning shortly before Easter. He drove his sales vehicle with its "You're a Winner" front license plate toward Atlantic Avenue, Daytona's main beachfront boulevard.

Rutledge has been working in Daytona Beach for 12 years, and he has learned how to "read" the seasonal ebb and flow of tourists in terms of cigarette sales.

"The only 'slow' time around here is maybe September and October — after Labor Day and before the Christmas holidays. Then the busy season starts with race week in January and goes right through to Labor Day again. The average store will double its orders from October to February.

"It's always something different, because every crowd has different tastes," Rutledge explained. "The core brands are always strong, but the beach crowd likes the light styles,

while the race crowd seems to prefer the full-flavor styles. You have to know your customers and know when to change your displays to satisfy the different tastes."

Rutledge gets an early start during peak holiday times, so he can make as many calls as possible before the tourist traffic begins to back up along Atlantic Avenue and other streets near the beach. This morning, he drove for a short distance along the deserted beach, taking a scenic short cut on the way to his first call.

"Some mornings, you can drive right down the beach," he said. But by midday, the beach was packed with sunbathers and swimmers, and two solid lanes of traffic crept along the pavement-like sands.

"The crowds are all out of proportion to what the Chamber of Commerce expected. They're saying now that we'll get 500,000 people in here over the holiday period."

For this Easter holiday season,

the major promotions Rutledge was working were a 75-cents-off offer on two packs of Winston or Salem and an offer of two free lighters with two packs of Winston.

"The dealers love it, because the customers eat it up," Rutledge said. "Everybody likes to save money, and the combination of price and premium promotions really moves product. Whenever you have a souvenir-seeking crowd, a premium adds excitement. It's an incentive to buy because it gives people something else to put in their bag of goodies to take home from the beach."

Key locations for the beach trade include drugstores and variety stores like Walgreen and Woolworth, as well as convenience stores and supermarkets near the beach, Rutledge said. "People are looking for a good deal, and the convenience stores and the retail chain locations are where the action is."

The RJR "beach patrol" for Daytona includes Rutledge, Sales Representative Hank Atkinson and Sales Representative Temporary Janet Conn. Together, they cover an oceanfront strip of adjoining resort communities that extends from Ormond Beach north of Daytona through New Smyrna Beach to the south.

On this particular morning, all three were out early, and they happened to converge at a shopping center on Atlantic Avenue.

"We always start early," Atkinson said when he stopped off briefly after spotting Rutledge's and Conn's vehicles. "You have to cover all you can before the traffic builds up in the afternoons."

Conn plays a major role in the strategy of the RJR beach patrol. Her responsibilities include keeping product displays full in key high-volume locations.

"I'm back and forth along the beach all day long, filling displays,"

Conn explained. "I'm constantly filling and refilling because the product doesn't last long this time of year. We've been going full force since race week in January. It's hard work, but you've got to like to work, to work the beach."

Call frequency is a vital element of the customer service that keeps RJR ahead of the competition at the beach, Rutledge said.

"You have to hit the stores at least once a week, and two or three times a week during holiday periods like this. It's also critical to order in enough stock at the stores to keep the displays full. Some of the retailers fill their displays themselves as they sell out, otherwise we'd have to come back every day.

"It's all part of the rapport we've

developed with the retailers," Rutledge explained. "We provide a superior level of service. They see us every week, or two or three times a week, and they really appreciate the attention."

The Canadian consumers who flood the beach during peak holiday times are not forgotten, either, Rutledge noted. Many stores advertise that they sell Canadian brands, and RJR Canadian brands such as Export "A" are ordered to supply that special demand, he said.

Keeping up with the frenetic pace of peak-season beach traffic is the key to the resort marketing program, said Jay Loftin, who has been division manager of the Daytona Beach division since it was formed in 1986.

(continued next page)



The Daytona 'beach patrol' that covers the resort area for RJR includes (left to right) Rutledge, Sales Representative Temporary Janet Conn and Sales Representative Hank Atkinson.



Planning for resort promotions that will get quick results at the point of sale are (left to right) C.T. 'Buzz' Buzzard, Pat Shehan and Sharon Reid of the home-office staff.

(continued from page 5)

Seven other reps are assigned to the division, in addition to the three-member beach patrol.

"Planning is crucial. You've got to get your promotions in on time and stay ahead on orders, because if you ever get behind, you stay behind," Loftin said.

"Call frequency and the relationship between the reps and the retailers are all-important. That is how we gain the respect of the retailers, and hold such a dynamic position in the counter area."

This year's special promotions were enthusiastically received by retailers and consumers alike, Loftin added.

"They're working — we've placed 300 to 400 more promotional displays this year than last year, and the retailers are calling the reps asking for more lighters and more 75-cents-offs.

"During this six-week period, we will sell more than 250 additional cases with these promotions," Loftin said. "For the rest of the season, through the overall resort program, we will sell 15,000 additional cases in eight months."

"I've been working this area 15 years, and it's growing every year," said Regional Sales Manager George Hill of the north Florida region, based in Orlando, Fla. "We've developed the area for maximum volume over the years, and we work with the promotions people to get the right items, because the on-pack promotions are very important."

Cooperation and coordination with wholesalers and chains also are vital, Hill adds.

"Chain and division management work closely to ensure chain coverage, and the wholesalers cooperate by ordering in extra product. We've got it down to a science and it runs very smoothly."

Resort programs operate in 21 divisions around the country, including well-known beach towns such as Daytona, and many inland communities not readily identifiable as resorts, says Pat Shehan, sales planning manager in the home office. "We're looking mainly at the heavily traveled beach and inland lake areas," Shehan says.

"That is why you will find resort programs in places like Flint, Mich., for all the lakes in the lower peninsu-

la of Michigan; and Paducah, Ky., to cover Kentucky Lake and the 'Land Between the Lakes' area," says Sharon Reid, senior promotion assistant — communications in the home office.

Lake-resort marketing typically involves smaller, more seasonal crowds and more widely scattered retail outlets than beach-resort sales. But strategies are similar in both types of resort, Shehan says.

"The emphasis is on convenience stores and other package outlets. We try to get a lot of pre-booking to handle the extra volume, and we're looking for promotions that will be highly perceived as a good deal or a high-quality premium item."

"This year, we focused on couponing and price reduction with the 75-cents-off offer," says C.T. "Buzz" Buzzard, manager — field promotions in the home office. "This gets quick results at the point of sale and is more consistent with our regular promotion programs that tourists will see when they get back home."

Promotional items also are carefully chosen for value to the consumer and convenience for the retailer and the company, Shehan adds. "We're looking for items that will be useful for the smoker and require minimal field sales effort in handling. That makes the logistics of shipping simpler, and it's easier to get display space at retail when the premium doesn't require a big display.

"The key is impact at the point of purchase," Shehan says. "We're looking for volume-building displays."

"Volume is the only thing," Rutledge agreed. "The highlight of my day is to get a sandwich from one of the beach delis for lunch and sit back and watch who's buying product.

"It's really exciting to see somebody go by in a bathing suit with two packs tucked into the waistband, from a display you've just placed."

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Shipping idea slashes fixture delivery cost

When it comes to selling RJR merchandising, the sale is only the beginning. RJR fixtures cannot begin to do their job of building volume for RJR products until they are delivered to the stores.

Delivering merchandisers to a major chain can be a huge task. Fixtures may have to be shipped to hundreds of widely scattered store locations, on a precise timetable to meet the retailer's needs.

That is when creative thinking, cooperation and effective resource management techniques must merge, to produce the best solution for the customer and the company.

The recent delivery of 3-wide Doral Savings Centers to 1,120 locations of the giant Cumberland Farms chain is a case in point.

With the sale closed and delivery plans being made, everyone involved in the process — from North Atlantic Area Sales Merchandising Manager Mark Young, Boston Regional Sales Manager Bob Fiori and Boston Chain Accounts Manager Ray LeBrun in the field to Merchandising Materials Manager Don Esposito in the home office — agreed on one thing: Shipping 1,120 Doral Savings Centers to 1,120 individual Cumberland Farms stores was going to be costly.

"When we first discussed shipping the savings centers directly to the 1,120 Cumberland Farms stores, I was shocked that freight costs would be approximately \$44,000, and I wondered about the possibility of other options," Young says.

"It was a large number of fixtures to be shipping at one time. Instead of making almost 1,200 individual shipments, it seemed like a better idea to ship the fixtures to the customer's warehouses and let them



Steve Enloe, manager of the Lentz, Inc. warehouse near Winston-Salem, checks Doral Savings Center fixtures before shipment to Cumberland Farms chain warehouses.

make final delivery on their own trucks," Esposito says.

"We were looking for a way to make delivery more timely and convenient for them and to save money for us."

Esposito secured information on various shipping options and comparative costs from Clark Golden in the Reynolds Tobacco traffic department and passed the data along to the field staff. "The figures were mind-boggling," he says.

Fiori and LeBrun, who had originally sold Cumberland Farms on the Doral Savings Centers, then met with chain management in Canton, Mass., to discuss delivery alternatives.

"Cumberland Farms services all their stores from two warehouses — in Boston and Orlando, Fla.," Young explains. Fiori and LeBrun proposed shipping the savings centers from the RJR warehouse near Winston-Salem to the Cumberland Farms warehouses in Boston and Orlando, and distributing the fixtures to each store via the Cumberland Farms

delivery trucks that make weekly runs between the warehouses and the stores.

"Cumberland Farms agreed to this proposal at a cost of \$3 per shipped display," Young says.

"It was a bargain, any way you look at it," Esposito says. "Everything went smoothly. All the fixtures were delivered with no hang-ups."

The total cost of delivering the 1,120 fixtures was \$7,060, Young says. "As you can see, by taking the time to explore other means of implementing the Cumberland Farms merchandising program, we saved almost \$37,000 in freight charges."

"We keep resource management in the back of our minds at all times, and we try diligently to come up with a better way of doing things that will save money," Esposito says. "Now that we know this method of shipping fixtures will work, giving us better service to the customer at lower cost to the company, we will be on the lookout for other opportunities to use this approach."

New savings centers fuel Doral's growth

First in a series

"The story of RJR's new Doral Savings Center merchandising fixtures begins with the re-introduction of Doral in 1984 as the industry's first branded, generic-priced cigarette and culminates in the phenomenal growth of the brand," says Jan Olson, national manager - package merchandising.

"Along the way, a lot of people — suppliers, home-office personnel and the field sales force — have played a role in developing the new Doral fixtures, from first concept to final reality," Olson says.

The result is a family of merchandising fixtures and point-of-sale materials that will help Doral capitalize on its growth and strengthen the position of sales leadership that the brand has captured for itself over the past three years.

"Doral was a sales department brand from the beginning, and with the concept of merchandising the savings segment separately from other brands, we perceived a need for a fixture system and a merchandising strategy to ensure the brand's success," Olson explains.

"The original Doral Savings Center was intended as a temporary display with a high-quality image to meet the brand's immediate merchandising needs and overall marketing strategy in the initial period after introduction," Olson adds.

"But as the savings category continued to grow — largely due to the tremendous success of Doral — and as the brand received increasing emphasis and greater field support, we perceived a need for a new merchandising fixture system to maintain and enhance our position of leadership in the category.

"We wanted a family of fixtures with the features and benefits to provide a continuing competitive edge



Jan Olson loads new Doral Savings Centers in the presentation room at the home office.

over other savings center fixtures."

Development of the new Doral Savings Centers began in the first quarter of 1986. The new fixtures, in 3-wide and 7-wide sizes, were introduced last November.

"During that time, we evaluated a great deal of field input in coming up with the design," Olson says. "The criteria for the new fixtures came from the input we received from field sales, executive management and our own ideas in the department."

One of the concerns with the original fixture was stability, so steps were taken to ensure that the new fixture was solidly built. Field sales also wanted multiple pricing capability, and this need also was addressed in the development of the new fixture.

"Because of retailer concern about

pilferage, the new Doral Savings Center offers security as an option. This feature is not available from competitive savings centers, adding to the popularity of our unit," Olson adds.

Another selling point for the new Doral Savings Center is its ability to provide a retailer with advertising space for his own private-label brand. "We didn't offer that on the old unit," Olson says.

Strong emphasis was placed on the appearance of the new Doral Savings Center because "looks" is still a key factor in selling any merchandising unit.

"We also wanted to develop a savings center that could be used for all savings-segment brands," Olson adds. "That's what the field asked for: configurations to create entire savings-center departments."

With their upscale styling, sturdy construction and numerous features and benefits, the new Doral Savings Centers are proving to be popular with retailers. "Response from the field is very positive," Olson says. "The new Doral Savings Centers are really helping us in our efforts to replace competitive fixtures."

To help maintain RJR's reputation for high-quality fixtures, Olson urges field sales people to fill out and return the quality-control sheet that is shipped with each fixture.

"We need that input from the field," Olson says. "This is an opportunity for the field to tell us if there is any problem with a fixture, so we can correct it."

"We've had some problems with the Savings Centers, but we think we've got most of them solved. However, it takes a little time to get production start-up problems worked through the inventory, so sometimes

(continued on page 15)

This RJR sales family is 'Illegally Yours'

People all over the country will be seeing RJR Area Sales Representative Bob Denny in a few months — and they won't have to travel to Denny's hometown of Terre Haute, Ind., to do it, either.

Denny and his family will be appearing on movie screens from coast to coast in the film "Illegally Yours." The \$13 million suspense thriller, directed by noted filmmaker Peter Bogdanovich and starring teen idol Rob Lowe, is scheduled to open in early August.

Denny says he owes his whole film career to his mother-in-law, Jo Finn, whose house in St. Augustine, Fla., was used as a location for the production.

"In the movie, it's a drug dealer's house," Denny explains with a laugh.

Denny says his and his wife's children — Scott Denny, 21; Chris Denny, 13; Christy Eldred, 11; and Jennifer Eldred, 8 — all have acting experience and were eager to appear in the movie. Denny took a few days of vacation and the family visited St. Augustine twice in February, as the filming schedule called for their appearances.

Scott, who is studying theater at Western Kentucky University at Bowling Green, Ky., spent the most time on camera, working for several days portraying a houseboy. Carolyn and the girls were part of a carnival crowd sequence in which Lowe appears.

"The girls were in seventh heaven," Denny says.

Luck often plays a major role in movie careers, and Denny's is no exception. His big break came one afternoon while he was eating lunch.

"They came around looking for someone to fill in for an extra who had not shown up on the set that



Bob Denny (center), his wife, Carolyn (second from left), and their daughters (left to right), Christy Eldred, Jennifer Eldred and Chris Denny, display souvenir shirts from the film in which they will appear. Photo courtesy of Terre Haute Tribune-Star.

day," Denny says. "They needed an extra policeman for a big chase scene, and the other guy's uniform just happened to fit me, so I got the part."

After working on a movie set, Denny says that it is easy to understand how such productions can exceed their multimillion-dollar budgets. The Denny family earned only a few hundred dollars for their work in the film — the money was used to pay for their trips to Florida — but superstar Rob Lowe was paid \$200,000 a week for 10 weeks, he says.

"It was a lot of fun," Denny says. "It was a neat experience for me, my wife and the kids."

Denny adds jokingly that since returning to Terre Haute after his stint in front of the cameras, he has

also learned that movie "stars" have to deal with the problem of recognition and the attentions of their adoring "fans."

"All of the retailers I call on are going crazy over it," especially since an article about the Denny family's moviemaking experience appeared in the local newspaper, he explains. Denny has been with Reynolds Tobacco sales for 20 years, the last 18 in Terre Haute, in the Evansville, Ind., division.

"All the other reps I know out on the trade are building it up like it was a big deal," Denny says. "They keep asking me for my autograph."

Would Denny make another movie, if Hollywood came calling again?

"I sure would," he says. "But really, I'd rather be known for my selling."

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locate any of these children, or if you need help to
locate a missing child, please call:
"The Missing Children Network"

1-800-235-3535

All calls will be kept confidential.



Evan Unrue
Age: 2



Jane Hernandez
Age: 6



Joshua Shack
Age: 1



Cache Hart
Age: 3



Richard Pennington
Age: 15



Amber Campbell
Age: 8



Sherene Shalhub
Age: 14



Antonella Mattina
Age: 14



Greg Holman
Age: 23



Heidi Angove
Age: 16



Joel Baca Age: 4
Rachel Baca Age: 6



Sandi Sunderland
Age: 11

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Since you asked

With future direct account incentive promotions, can't we have more phone lines available into the customer services department? There are numerous complaints from direct accounts about the time it takes to phone in the entitlement orders to the customer services department.

The customer services department has approximately 25 people available to take orders and up to 44 phone lines ready, if needed, to receive calls from the field or from our direct accounts. However, even that number of people and phone lines can be taxed to the limit near the deadline hour for orders. Phoning in orders earlier, rather than near the deadline, results in much easier access to our customer services department.

Could there be an option in the Savings and Investment Plan to not have our earnings deferred? If so, could this eliminate the 10 percent penalty?

The laws that allow us to have a savings plan with favorable tax treatment on both employee and company contributions do not allow payout of earnings. Even though limited withdrawals are allowed under certain conditions, the government considers the main purpose of this plan to be for retirement savings. For this reason, it feels both contributions and earnings should be left in the plan. This has always been the case, but the Tax Reform Act recently added the 10 percent penalty on earnings taken out before age 59½, to discourage further any pre-retirement withdrawals.

The new Doral Savings Centers are excellent merchandisers, but there is no advertising for the sides of the fixture. This could be an excellent advertising opportunity, if the right advertising were developed.

Side panels for the new Doral Savings Center are now available and can be ordered in the usual manner.

I suggest RJR provide sales reps with company ID badges. This would help with new store openings and new store managers who have never met us.

There are differences of opinion on wearing company ID badges or name tags. While some representatives feel they could be helpful, others consider them less professional, preferring instead a handshake and a friendly, personal introduction.

Retired Chicago regional manager recalls career

(continued from page 2)

affairs in the public relations department, says Lanni was a major influence in the RJR careers of many blacks, including his own.

Lewis joined the company in 1953 as a sales representative in the south Chicago division and was the first black division manager when he took over the east Chicago division in 1965. He moved to the home office as national manager - special markets in 1970 and was trade relations manager - special markets when he moved to the public relations department in 1985. Lewis works extensively with minority programs in his present position.




Virgil Lanni keeps up with RJR news by reading company publications.

"Virgil aided me tremendously in my development as a sales rep and

in preparing me for future growth opportunity — and he did the same things for a lot of other people," Lewis says. "He also promoted an awareness of the company's need to play a role in minority affairs."

After retiring, Lanni moved to Garden City, on the South Carolina coast, where he enjoys cycling, swimming, dancing and playing bridge. He keeps up with Reynolds Tobacco through company publications, correspondence and occasional visits to the home office.

"When I worked for RJR, I gave my all," Lanni says proudly. "They were the best 35 years of my life, and I enjoyed every second of it." 

Sales rollin' like river in Mississippi

RJR sales people are rolling over the competition like Ol' Man River in Mississippi, with a springtime flood of mass Doral displays placed in stores all over the Hattiesburg, Miss., division.

The Hattiesburg area also has been the scene of another RJR "before" and "after" tale, with RJR overhead package merchandisers scoring a victory over competitive fixtures.

Area Sales Representative C.F. Carr led the Hattiesburg Doral display charge, with 3,000 cartons — or 50 cases — placed in just two locations. Carr sold the IGA store in Picayune, Miss. on a 2,000-carton display, and Alco Discount in Bay St. Louis, Miss., took a 1,000-carton display. Both displays featured \$1-off coupons.

Area Sales Representative K.R. Johnson cultivated her Sunflowers carefully and placed 1,650 cartons of Doral in two Sunflower store locations. Sunflower No. 32 in Waynesboro, Miss., took a 1,050-carton display, and Johnson sold the Sunflower store in Quitman, Miss., on a 600-carton display.

With her bouquet of Sunflowers



Area Sales Representative C.F. Carr placed a 1,000-carton Doral display with \$1-off coupons in Alco Discount in Bay St. Louis, Miss.



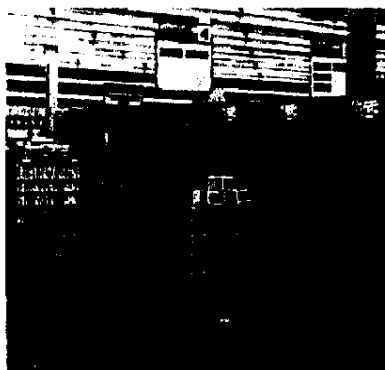
Ecol Station stores in Hattiesburg, Miss., area were sold on RJR overhead package merchandisers with brand signage and point-of-sale displays, replacing competitive fixtures.

securely in hand, Johnson turned her attention to Garvin's Piggly Wiggly store in Newton, Miss. This little Piggly Wiggly produced big results, with placement of a 1,000-carton Doral display. Johnson placed \$1-off coupons on all displays.

With a truly "Strong" sales effort, Area Sales Representative J.D. Strong strengthened the position of Doral in his assignment, placing 1,600 cartons of Doral in two locations. Myatt Brothers in Purvis, Miss., took an 800-carton display, and Strong sold County Market in Hattiesburg on an

800-carton display, both featuring \$1-off coupons.

While towers of Doral were rising from store floors all over the division, Area Sales Representatives J.T. Callahan and C. "Dutch" Carr were gazing overhead — at the competitive overhead package fixtures in the four-store Ecol Station chain in the Hattiesburg area. They sold three of the stores on RJR overhead package merchandisers, with configurations suited to each store's needs and featuring brand signage, clocks and other point-of-sale displays.



Country Market in Hattiesburg was sold on an 800-carton Doral display with \$1-off coupons by Area Sales Representative J.D. Strong.



Area Sales Representative K.R. Johnson placed a 1,050-carton Doral display in Sunflower No. 32 in Waynesboro, Miss.

RJR's fixtures tops in Kentucky

What could be better than selling an account on RJR merchandising? Replacing competitive merchandising fixtures with new RJR units, that's what. Just ask Area Sales Representative **P.J. Hunt** of the Charleston, W. Va., division.

Hunt recently sold the Piggly Wiggly store in Ashland, Ky., a key high-volume account that sells 600 cartons of cigarettes a week, on a new RJR Flex unit and a gondola end-frame package merchandiser. These new RJR fixtures replaced the Philip Morris modular carton merchandiser and package merchandisers that the store had used.

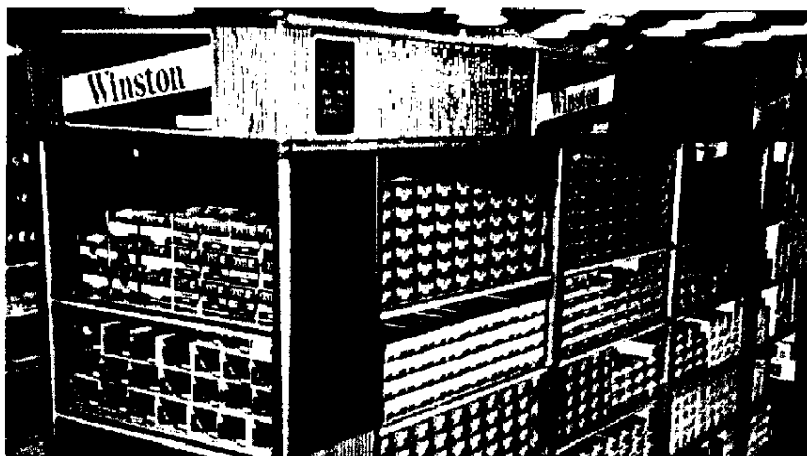


Display at Big Bear in Elba, Ala., featured a free-cassette promotion.

New sales rep is learning fast

Experience is the best teacher — especially for a fast learner like Sales Representative **W.T. Watlington** of the Panama City, Fla., division.

Watlington joined RJR only last September, but he is already learning from experience about such aspects of the job as selling with mass displays, coupons and promotions. He recently sold the Big Bear store in Elba, Ala., on a 270-carton display featuring \$2-off coupons and a free-cassette promotion.



Fort Jackson, S.C., Army Exchange accepted an island-type Flex merchandiser.

Borjeson scores with military

The military has traditionally merchandised cigarettes in its own way in its Exchanges and Commissary stores, usually with in-line store shelving.

But thanks to the salesmanship of RJR reps such as Area Sales Representative **J.J. Borjeson** of the Charleston, S.C., division, the RJR Flex system is establishing a firm beachhead in Army and Air Force

Exchanges in South Carolina.

Borjeson first sold the Army Exchange at Fort Jackson, near Columbia, S.C., on a Flex unit, set up in a 17-foot by 2½-foot island configuration. Borjeson then followed up this sales accomplishment by placing similar Flex units in the Air Force Exchanges at the Myrtle Beach, S.C., Air Force Base and at Shaw Air Force Base at Sumter, S.C.

East, west Cleveland boost sales

RJR sales figures are higher in Ohio, and much of the credit goes to the volume winners from the east and west Cleveland divisions.

Area Sales Representative **R.J. Mandolin** of the east Cleveland division sold the Army-Air Force Exchange Store in Vienna, Ohio, on handling all authorized RJR brands including Doral. Sales for the year increased by 39.4 percent at the store.

At the Cleveland U.S. Coast Guard Commissary, Area Sales Representative **D.A. Moody** of the west Cleveland division successfully defended RJR's position of sales leadership, despite special efforts by the competition to establish a beachhead in the store.

Philip Morris management had targeted the commissary for an intensive campaign to install its merchandising, but when the smoke cleared, Moody had won the day for RJR. Moody sold the commissary on 48 feet of in-line Flex with lighted canopy, including a 20-foot Doral/generic section.

Moody also captured exclusive point-of-sale promotion for RJR, including a personalized Winston wall clock and business hours and open/closed signage. The commissary also took two centralized oak merchandisers with 80-pack topper displays, marking the first time the store has sold cigarettes by the package.

Teamwork adds California sales

Teamwork is a key element in RJR sales strategy. S.E. Hood, chain accounts manager in the San Diego Chain division, proved it recently when he teamed up with a wholesaler and a major convenience chain to boost RJR sales in southern California.

Hood's sales game plan began to unfold when the Southland Distribution Center in San Bernardino, Calif., announced a discount of 25 cents per carton for all product purchased within a designated two-week period. Working with the distribution center, Hood picked up the ball and maximized this sales opportunity by having a flyer sent to the 1,185 7-Eleven stores in southern California, announcing a 15-cent RJR pre-booking allowance that was running at the same time.

The result: an RJR sales "touch-down." As a result of the flyer, orders totaling 1,126 cases of RJR brands were received and shipped by Southland Distribution Center in one month.

For institutional volume

Ellegate 'building on strength'

A true RJR Volume Winner knows that the selling job only begins when the initial sale is made. True sales leadership means not only initiative but also follow-through — following up on that sale with the kind of service to the customer and the continuous presentation of features and benefits that will produce larger orders and put RJR product in more of that customer's outlets.

It's called "building on strength," and it works in institutional sales the same way as in other segments of the marketplace. Special Accounts Manager J.J. Ellegate of the Buffalo, N.Y., division knows.



Holiday Plus chain was sold on Flex merchandising for 31 stores in the Minneapolis area.

Chain accepts RJR fixtures

Persistence and teamwork pay, especially when selling a high-volume chain on RJR merchandising. Just ask Chain Accounts Manager S.R. Bremer of the Minneapolis chain division and Area Sales Representative P.E. Tuff of the Minneapolis division.

Holiday Plus, a high-volume chain in the Minneapolis area, for years had used down-aisle gondola shelving to merchandise cartons of cigarettes. But with Bremer working at the head-

quarters level and Tuff following up with individual stores, RJR persistence finally paid off. The chain accepted Flex carton merchandising with an end-cap package fixture for the Burnsville, Minn., location, and then decided to place similar configurations in the remaining 30 stores in the chain.

Rep 'locks up' sales for Doral

Institutions such as prisons provide a confining but challenging setting for cigarette sales.

Area Sales Representative C.W. Davis of the Memphis, Tenn., division demonstrated that fact recently. Davis has "locked up" the number-one sales ranking for Doral at the West Tennessee Reception Center of the state prison system.

When Davis introduced Doral at the Reception Center commissary at the end of 1985, the brand immediately captured a 20 percent share of cigarette sales.

After a little more than a year, Davis' sales efforts have made Doral the top-selling brand at the reception center commissary, with two-thirds of the total market.

PROMOTIONS & APPOINTMENTS

G.A. Young has been appointed planning manager in the sales planning section in the home office.



Young joined the company in 1972 as a sales representative in the Charlotte, N.C., division, where he was promoted to area sales representative the following year. In 1978, he was promoted to assistant division manager in the Greenville, S.C., division and in 1981 to division manager in the Annapolis, Md., division. In 1983, he was promoted to chain accounts manager in the Richmond, Va., division. In 1985, Young was promoted to training manager in the home office.

Sales team wins at commissaries

(continued from page 2)

departure from its long-standing policy of merchandising cigarettes vertically, Gaillard adds. "Now, they will be merchandising the RJR way," he says.

Under the new contracts, RJR brands will be displayed horizontally on the top two shelves, with space allocated by each brand's share of market. Competitive brands will be displayed vertically on the lower shelves.

The commanding officers of the Army agency decided to accept the RJR display contracts after a year of intensive selling efforts by Gaillard, Regional Manager Bill Reece of the Richmond, Va., region, and Frank Tate, sales training and development-vending/military manager for the north central sales area, Gaillard says.

"Persistence pays off with the military," Gaillard says. "The key to the project was demonstrating to the agency that the RJR program is the best way to satisfy the commissaries' needs."

Peter E. Schmidt has been appointed merchandising manager in the Pacific/Mountain sales area.



Schmidt joined the company in 1972 as a sales representative in the Albany, N.Y., division, where he was promoted to area sales representative the following year. He was promoted to assistant division manager in the New Haven, Conn., division in 1977 and in 1981, he was promoted to division manager. In 1983, he was promoted to merchandising manager in the home office. He was promoted to training and development manager in the home office in 1985.

D.E. Youngren has been named budget and planning manager in the South Atlantic sales area.



Youngren joined the company in 1970 as a sales representative in the Bristol, Va., division, where he was promoted to area sales representative the following year. In 1978, he was promoted to assistant division manager in the W. Palm Beach, Fla., division and in 1980 he was promoted to division manager in the Dallas division. In 1982, he was promoted to merchandising manager in the home office. He was named sales merchandising manager in the South Atlantic sales area in 1984.

Jude C. Crouch has been promoted to chain accounts manager in the Washington chain division.



Crouch joined the company in 1973 as a sales representative in the Tampa, Fla., division, where he was promoted to area sales representative in 1975. In 1977, he was promoted to assistant vending manager in the Miami division and in 1980 to assistant merchandising manager. Later that same year, he was promoted to assistant division manager in the Miami division and in 1981, he was promoted to division manager.

James F. Brownlee Jr. has been promoted to assistant division manager in the south Denver division.



Brownlee joined the company in 1984 as a sales representative in the Salt Lake City division, where he was promoted to area sales representative the following year.

James Guaneri has been promoted to special accounts manager in the Boston division.



Guaneri joined the company in 1979 as a sales representative in the Brooklyn, N.Y., division, where he was promoted to area sales representative the following year.

New savings centers key for Doral

(continued from page 8)
improvements will not show up immediately.

"The new Doral Savings Centers are doing the job they were designed to do," Olson says. "They are getting us the merchandising position

we want, and that is our primary objective.

"Of course, we are still looking for ways to improve the fixture. That is a continuous process, for all of our merchandisers."

Unless you build your accounts on professional service, they can slip through your fingers like sand. It can happen to your oldest, most steadfast customers.

Here's the hard truth. Volume is generated when a good relationship between a customer and salesperson is backed with solid service. Anything less guarantees one thing: an unsatisfied customer and an opportunity for competition.

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